

September 11, 2002

To: Supervisor Zev Yaroslavsky, Chairman  
Supervisor Gloria Molina  
Supervisor Yvonne Brathwaite Burke  
Supervisor Don Knabe  
Supervisor Michael D. Antonovich

From: David E. Janssen  
Chief Administrative Officer

**EFFICIENCY OF INTER-DEPARTMENTAL FUND TRANSFERS BETWEEN THE DEPARTMENT OF PUBLIC SOCIAL SERVICES (DPSS) AND THE DEPARTMENT OF COMMUNITY AND SENIOR SERVICES (CSS) - STATUS REPORT**

On June 4, 2002, your Board instructed my office to review the efficiency of inter-departmental fund transfers between DPSS and CSS for CalWORKs and General Relief Opportunities for Work (GROW) services, compare the administration and implementation of these programs with other counties, and identify any potential cost savings from consolidation of these programs into one department. On August 19, 2002, we provided the Board with a status report on this and two related assignments addressing the Refugee Immigrant Training and Employment (RITE) program.

This memorandum is to update you on the status of the subject assignment, and to request an extension until September 20, 2002, to complete this review. Other reports related to the RITE program will be forwarded to you separately.

**Background**

DPSS currently transfers funds to CSS for the following CalWORKs and GROW services:

- Direct case management activities to non-English, non-Spanish speaking CalWORKs participants, known as the RITE program at CSS.
- Domestic violence services for CalWORKs participants.
- Employment training and supportive services to GROW participants.

- Mini Career Center Program\* (Long Term Family Self Sufficiency Project #9) and CalWORKs Youth Jobs Program\* (LTFSS Project #23).

\*Excluded from the analysis since the LTFSS project funding will terminate on June 30, 2003.

Based on the DPSS/CSS Memorandum of Understanding, DPSS pays CSS an administrative fee up to 10 percent of the RITE program contract costs, which totaled \$1.5 million in Fiscal Year 2001-02. The 2002-03 DPSS Adopted Budget includes \$2.6 million to fund CSS' administration of the Domestic Violence and GROW contracts.

## **Results to Date**

Several counties were contacted to compare their administration and implementation of these programs with Los Angeles County. These included: Alameda, Fresno, Orange, Riverside, Sacramento, San Bernardino, Santa Clara, Santa Cruz, and Ventura counties. All of these counties indicated that they have only one department that administers and monitors their CalWORKs and General Relief contracts.

Subsequent to this Board request, the Auditor-Controller was also asked to evaluate which department, CSS or DPSS, could more cost-effectively manage the existing RITE program contractors. This office and the Auditor-Controller are currently working with DPSS and CSS to obtain additional data needed to complete this cost comparison. DPSS has provided cost information and job descriptions if it were to assume responsibility for the RITE program contractors. We also have requested similar information from CSS.

For the Domestic Violence and GROW contracts, we have also requested additional information from both departments to complete a similar cost comparison. We anticipate receipt of this information shortly.

Please let me know if you need any additional information, or your staff may contact Gevork Simdjian of my staff at (213) 974-1318.

DEJ:DL  
JJ:GS:kd

c:     Executive Officer, Board of Supervisors  
       Auditor-Controller  
       Director of Community and Senior Services  
       Director of Public Social Services